

Message Text

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ORIGIN PM-05

INFO OCT-01 NEA-10 ISO-00 CIAE-00 H-01 INR-07 L-03
NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06
ACDA-07 MCE-00 OMB-01 AID-05 AF-10 /080 R

DRAFTED BY PM/SAS:DHESTER:RG
APPROVED BY PM/SAS:HMCELROY
DOD/DSAA:PSOMMER (SUBS)
AF/I:LTC.WGROSS (INFO)
TREASURY:CCROSSWHITE (INFO)
T:SLEDOGAR (INFO)
-----062926 260211Z /61

P R 252224Z AUG 77
FM SECSTATE WASHDC
TO AMEMBASSY TUNIS PRIORITY
INFO SECDEF
CINCEUR
TREASURY

C O N F I D E N T I A L STATE 203748

E.O. 11652: GDS

TAGS: MASS, TN

SUBJECT: TUNISIA - FY 1977 FOREIGN MILITARY SALES (FMS)
LOAN AGREEMENT

1. PRESIDENT HAS SIGNED DETERMINATION WAIVING CEILING ON
MILITARY AID TO AFRICAN COUNTRIES IN FY 1977 AND UNDER
SECRETARY BENSON HAS AUTHORIZED RELEASE OF \$25 MILLION IN
FY 1977 FMS FINANCING FOR TUNISIA. FINANCING IS PROVIDED
FOR INTEGRATED AIR DEFENSE SYSTEM, INCLUDING CHAPARRAL
MISSILES BATTERIES, FORWARD ALTERATING RADAR, AND
VULCAN ANTI-AIRCRAFT GUNS.

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2. PROCEDURES AND TERMS OF LOAN AGREEMENT. FEDERAL
FINANCING BANK (FFB) HAS PREPARED \$25 MILLION FMS LOAN
AGREEMENT FOR SIGNATURE AND HAS SO INFORMED LOCAL GOT
EMBASSY. TERMS OF LOAN CALL FOR PRINCIPAL TO BE REPAYED
IN FIFTEEN APPROXIMATELY EQUAL SEMI-ANNUAL PAYMENTS COM-
MENCING OCTOBER 1, 1978. DISBURSEMENT PERIOD WILL END
SEPTEMBER 14, 1979. DEPARTMENT OF DEFENSE WILL GUARANTEE

LOAN, FOR WHICH GOT WILL PAY GUARANTY FEE OF \$62,500 FROM ITS OWN RESOURCES. OTHER TERMS OF LOAN HAVE BEEN DETERMINED BY FFB IN LOAN AGREEMENT.

3. AT TIME OF SIGNATURE OF LOAN AGREEMENT IN WASHINGTON, GOT REPRESENTATIVE MUST PROVIDE FOLLOWING:

A. GUARANTY FEE OF \$62,500 IN FORM OF CHECK FOR THAT AMOUNT MADE PAYABLE TO "TREASURY OF THE UNITED STATES".

B. COPY OF AUTHORIZATION BY GOT TO ITS REPRESENTATIVE TO SIGN LOAN AGREEMENT. IN ADDITION, BEFORE FUNDS MAY BE DISBURSED, SIMILAR WRITTEN AUTHORIZATIONS ARE REQUIRED FOR PERSON(S) TO SIGN ON BEHALF OF TUNISIA (1) PROMISSORY NOTE AND (2) OTHER DOCUMENTS CONTEMPLATED BY LOAN AGREEMENT SUCH AS REQUESTS FOR ADVANCES OF FUNDS.

4. THESE AUTHORIZATIONS REPLACE PREVIOUS REQUIREMENT FOR LEGAL OPINION FROM FOREIGN GOVERNMENT RECEIVING FMS FINANCING. SPECIFIC AUTHORIZATIONS MAY BE PROVIDED IN SINGLE DOCUMENT OR IN SEPARATE DOCUMENTS. THEY MAY BE IN ANY WRITTEN FORM, INCLUDING CABLED INSTRUCTIONS TO GOT WASHINGTON EMBASSY, PROVIDING THEY ARE IN ENGLISH OR IN OFFICIAL ENGLISH TRANSLATION.

5. TUNISIAN EMBASSY HAS INFORMED FFB THAT ALTHOUGH AMBASSADOR HEDDA PRESENTLY OUT OF TOWN, EMBASSY HAS CONFIDENTIAL

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REQUIRED AUTHORITY AND FUNDS TO SIGN LOAN AGREEMENT UPON AMBASSADOR'S RETURN. EMBASSY TUNIS SHOULD CONFIRM GOT HAS MET REQUIREMENTS OUTLINED PARA 3 ABOVE. CHRISTOPHER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY SALES, LOAN AGREEMENTS
Control Number: n/a
Copy: SINGLE
Sent Date: 25-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Executive Order: GS
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Handling Restrictions: n/a
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Litigation History:
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Original Classification: CONFIDENTIAL
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Original Previous Classification: n/a
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Status: NATIVE
Subject: TUNISIA - FY 1977 FOREIGN MILITARY SALES (FMS) LOAN AGREEMENT
TAGS: MASS, TN
To: TUNIS
Type: TE
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